

7	24	Letter from Charles Foster to FCC Secretary demonstrating satisfaction of the reporting requirements	12/1/99	12/1/99
7	24	Pacific and Nevada Bell began reporting the measures on the 20th of the month and each successive month	12/20/99	12/20/99

## 2. PB/NB Methods and Procedures

Business Rules for Measurements Development: Pacific Bell and Nevada Bell utilized the existing California rules (used for Section 271 purposes) for 16 of the 20 performance measurements. The other measures are new with the merger conditions and are similar to the Texas measurements.

M&P for Data Collection & Reporting: Pacific Bell and Nevada Bell utilized the requirement documents specifically developed for performance measurement reporting (where different from existing Section 271 performance measurement documentation). The M&P integrated Pacific's methods of data collection, archiving, and reporting performance.

**PB/NB Methods and Procedures Table**

Condition	Paragraph	Milestone	Due Date	Date Completed
7	24	Business Rules for Measurement Development (Pacific and Nevada)	10/1/99	10/1/99
7	24	M&P for Data Collection and Reporting (Pacific)	11/1/99	11/1/99
7	24	M&P for Data Collection and Reporting (Nevada)	11/19/99	11/19/99

## 3. PB/NB Training

During 1999, a team led by the Director - Regulatory Performance Measures, trained employees through out the Network Services organization. In the Pacific Region, Local Wholesale Operations was part of Network Services. Seven training modules were developed so that the content of the training could be customized for each organization.

For personnel responsible for the data collection and reporting, training was in the form of M&P documentation that was developed during the creation of each measure. The M&P were developed to ensure that the process each person used was transferable to any replacement employee.

**PB/NB Training Table**

<b>Condition</b>	<b>Paragraph</b>	<b>Target Audience</b>	<b>Training Message</b>	<b>Delivery Method</b>	<b>Date</b>
7	24	All Network Services Employees	The impact and responsibility (by workgroup function) each employee has regarding Performance Measures	Customized (by workgroup function) Leader Led / Train-the-Trainers  Regulatory Performance Measures Student Guide & Presentations	Ongoing
7	24	Annual Mandatory Coverage of Incumbent Work Force	Understanding Pacific Bell's responsibility and individual responsibility	Web Based	Ongoing
7	24	Nevada Bell Employees		No form yet, but will mimic the Training Package used in California for incumbent employees	Open
7	24	New Hires	Understanding Pacific Bell's responsibility and individual responsibility	Will be included in Annual Mandatory Coverage Process	Ongoing
7	24	Data Collection & Reporting Personnel	Skills to be transferable to any new employee	M&P Documentation	Ongoing

#### 4. PB/NB Internal Controls

The Performance Measures Organization ("PMO") documented all data integrity issues that were identified during the validation process they continually performed.

Through the data validation process, the PMO identified issues that reflect on operational processes, M&P, systems, and reporting. As such issues were identified, corrective action plans were put in place to ensure the integrity of the performance measurement(s) involved. Due to the scope of the affected work groups, formal issue documentation processes were established in Pacific Bell. Nevada Bell benefits from these processes as most systems are used in both regions, and findings were shared.

The formal issue management process mentioned above was put into place to capture and track any action that could affect data integrity or process changes which, in turn, could affect the performance measures. Through this process, the issue was assigned to the appropriate organization, and follow-up was done until completed. Any programming change needed by the Decision Support System

("DSS") was handled within this process by a formal document defining the change being provided to the DSS group or other entity.

A "central workroom" was established with representatives from each operational organization to maintain focus and enhance understanding of the measures and current performance using daily reporting into this central point. Findings from the Pacific Bell efforts were shared with Nevada Bell.

Each week, the Vice President-Pacific Bell, hosted an operations review call where performance on these measures was discussed within the Network Services organization. There was also a biweekly call concentrating on the regulatory performance measures. Each measure/sub-measure was assigned/owned by a vice president in the organization.

#### 5. PB/NB Documentation

**PB/NB Documentation Table**

Condition	Paragraph	Description of Document	Date Available
7	24	Pacific Business Rules for Measurement Development – merger measurements	10/31/99
7	24	Detailed Coding Requirements for those measures developed specifically for the merger measurements	10/31/99
7	24	Pacific M&P for Data Collection and Reporting – merger measurements	11/1/99
7	24	Nevada M&P for Data Collection and Reporting – merger measurements	11/19/99
7	24	Posting of performance measurements results on the website	12/1/99
7	24	Letter from Charles Foster to FCC Secretary demonstrating satisfaction of the reporting requirements	12/1/99

#### Section 4: Corrective Action

##### **SWBT:**

Issues identified in the data validation process led to performance measurements being updated or corrected for the months of August through December 1999. This validation process is currently being enhanced to ensure even greater reporting accuracy.

Plans are underway to post (by May 1, 2000) notification on the web of measurement changes/corrections, pursuant to our ongoing data validation process.

Similar to Pacific Bell, SWBT established a central work group to understand and manage daily performance results.

**AIT:**

As performance measurements were reported, an ongoing data validation process was in place to ensure that all identified changes and/or corrections were promptly reported.

Similar to Pacific Bell, Ameritech is developing a "central workroom" to enhance the understanding and management of the performance measurement results.

**SNET:**

As performance measurements are reported, an ongoing data validation process will be in place to ensure that all identified changes and/or corrections were promptly reported.

**PB/NB:**

A third party auditor commissioned by the California Public Utility Commission's (CPUC) order in the OSS-OII proceeding completed an audit of the performance measures in California. Pacific Bell was able to show compliance with 11 of its 13 assertions. The auditors identified 38 corrective actions for California and 23 for Nevada.

Performance measurements where data inaccuracies and/or omissions occurred were either restated or a solution was put in place to ensure accurate ongoing reporting.

Oversight for the completion of the corrective actions from the external audit was assigned and, as a result, action was initiated on all of the 38 California and 23 Nevada items.

As part of the ongoing process with the CPUC, issues were noted where changes might be needed to some of the agreed upon state performance measurements. These issues were discussed with the CLECs during a semi-annual series of meetings that occurred in February 2000. There was no set date for the California Commission to approve the outcomes agreed upon in this series of meetings.

**Condition Number: 8****Condition Name: Uniform and Enhanced OSS****Section 1: Summary**

Condition 8, Uniform and Enhanced OSS, contains specific provisions concerning the development and deployment of uniform, electronic OSS throughout the 13-state SBC/Ameritech Service Area. This Condition requires an OSS Process Improvement Plan identifying and assessing SBC's and Ameritech's existing OSSs and generally identifying changes needed to implement the OSS commitments required by this Condition. The Condition specifies a specific development and deployment schedule in the SBC/Ameritech service area (except for Connecticut) that provides for commercially ready, uniform application-to-application interfaces using industry standards within 24 months after MCD (assuming specific time frames for various phases).

SBC/Ameritech completed all 1999 commitments for Condition 8 in 1999.

**Section 2: Person Responsible**

Name	Title
Ed Glotzbach	Executive Vice-President & CIO

**Section 3: Implementation of Condition****1. Compliance**

Merger compliance plan tracking for SBC Merger Condition 8, Uniform and Enhanced OSS (paragraphs 25 – 34), was managed by Ed Glotzbach, Executive Vice-President and CIO – SBC Services (Team Leader for SBC Services), on an ongoing basis and was also monitored by the SBC Corporate Compliance Officer, Mr. Charles Foster and his Merger Compliance Group led by Ms. Mary Tudela, Senior Vice-President – SBC Compliance. All Condition requirements were assigned to project managers reporting to Ed Glotzbach. Mr. Glotzbach, reported to Mr. Charles Foster on progress toward meeting compliance on a weekly basis.

**Condition 8 Paragraph 25**

SBC/Ameritech shall provide an OSS Process Improvement Plan no later than the MCD.

Complete. The OSS Process Improvement Plan submitted to the Commission on October 6, 1999 was based on an evaluation of capabilities of the existing systems across the 13 states. The Plan was prepared by the team members as represented in the following table.

<b>Title</b>	<b>Company</b>	<b>Organization</b>
Director	SBC	OSS Planning/Regulatory Support
Director	SBC	Information Technology
Sr Business Manager	SBC	Information Technology
Director	AIT	Regulatory
Strategic Director	AIT	Information Industries-
Director	SBC	Gateway Services (8 state)
Director	AIT	Customer Care & Billing
Legal Counsel	AIT	Legal

#### Condition 8 Paragraph 29

SBC/Ameritech shall offer to develop direct access to Southwestern Bell Order Retrieval and Distribution ("SORD") and Ameritech's and SNET's equivalent service order processing system.

This Condition was completed as follows: (1) The offer was issued via Accessible Letters dated October 18, 1999 for Southwestern Bell Telephone Co. ("SWBT") (CLEC99-147), Pacific Bell ("PB") (CLECC99-331), Nevada (CLECN99-087) and Southern New England Telephone ("SNET") (CLECCT99-028). (2) The offer was posted on the Ameritech TCNet website (<http://tcnet.ameritech.com>) on October 15, 1999.

#### Condition 8 Paragraph 30

SBC/Ameritech shall offer to develop and deploy enhancements to the existing Electronic Bonding Interface ("EBI") for OSS that support maintenance and repair of resold local services or UNE and UNE combinations.

This Condition was completed as follows: (1) The offer was issued via Accessible Letters dated October 18, 1999 for SWBT (CLEC99-145), PB (CLECC99-330), Nevada (CLECN99-086) and SNET (CLECCT99-027). (2) The offer was posted on the Ameritech TCNet website (<http://tcnet.ameritech.com>) on October 15, 1999.

#### Condition 8 Paragraph 32

Within 30 days after Merger Closing, SBC/Ameritech shall begin to negotiate with interested CLECS a uniform change management process.

An invitation to discuss the SBC/Ameritech 13-State Change Management Process was issued to the CLECs via Accessible Letters dated November 1, 1999 (CLECN99-100, Nevada; CLEC99-160, SWBT; CLECCT99-036, SNET; CLECC99-350, California) and via TCNet (<http://tcnet.ameritech.com>) on November 1, 1999. An initial meeting was held on November 17, 1999, in Chicago, Illinois, with 43 representatives from 15 different CLECs and SBC. Eighteen volunteers representing nine different CLECs and SBC from the initial meeting formed a team to draft the change management process,

As of December 31, 1999, 157 agreement amendments were either prepared or filed for the Uniform Change Management Process.

**Compliance Table**

Condition	Paragraph	Milestone	Due Date	Date Completed
8	25	SBC/Ameritech shall provide an OSS Process Improvement Plan no later than the Merger Close Date.	10/8/99	10/6/99
8	29	SBC/Ameritech shall offer to develop direct access to SORD and Ameritech's and SNET's equivalent service order processing system.	10/18/99	10/15/99 (AIT)
8	30	SBC/Ameritech shall offer to develop and deploy enhancements to the existing EBI interface for OSS that support maintenance and repair of resold local services or UNE and UNE combinations.	10/18/99	10/15/99 (AIT)
8	32	Within 30 days after Merger Close, SBC/Ameritech shall begin to negotiate with interested CLECS a uniform change management process.	11/8/99	11/1/99

## 2. Methods and Procedures

Existing M&P were reviewed and determined to be sufficient to address the 1999 commitments

## 3. Training

Various levels of training requirements were identified for current and future commitments. These levels ranged from a general awareness of the Merger Conditions to detailed knowledge. Employees requiring an immediate detailed knowledge received on the job training. Action was initiated in 1999 to plan for classroom courses for future employees who will require this detailed knowledge. Planning was also initiated for the distribution of meeting notes and discussion guides to those employees requiring either a general awareness or working knowledge of the Merger Conditions.

As a result of the review conducted on existing training, existing training was found to be sufficient for the 1999 commitments.

#### 4. Internal Controls

Interconnection Services was structured to account for the 13-state region. Job positions were created and managers were assigned to specific functional areas. These areas included project management, training, M&P development, CLEC support and OSS certification.

The program management office provided weekly input via updates to the Merger Compliance Group. The program management binder was updated to include a summary of all Conditions and requirements for the Conditions, as well as a Merger Conditions Matrix developed by Mr. Charles Foster's Merger Compliance Group to track Corporate compliance. Detailed "Status Confirmation Forms" were included in the binder. The Status Confirmation Forms included requirement specific detail describing current status, evidence of compliance, training and lists of documents that were created as a part of the compliance implementation process.

SBC Services teams documented and reported their compliance weekly through the use of Status Confirmation Reports discussed earlier. These status reports were monitored closely and were used to highlight potential jeopardy situations that might have required upper level management intervention to ensure interdepartmental compliance and/or to obtain any additional resources necessary to ensure full compliance.

Additionally, an IT Merger Conditions Compliance Team was established to ensure overall information systems compliance. The IT Merger Compliance Team provides weekly status reported to the Executive VP & CIO, Ed Glotzbach highlighting progress, issues, and recommended courses of action.

As the result of these meetings, planning was initiated to employ Standard System Development Life Cycle methodologies, complete with requirements, design and code reviews to insure completeness as well as system and acceptance testing to insure the quality and performance of the systems. In addition, the need was identified to develop specific operation metrics and planning was started to ensure that these will be developed and implemented to monitor ongoing performance in maintaining the requirements of the system. These activities will be established upon written agreement for the Plan of Record.

A uniform change management process will be established and worked to facilitate corrections of failures, complaints and handle enhancements.



## 5. Documentation

**Documentation Table**

Condition	Paragraph	Description of Document	Date
8	25	OSS Process Improvement Plan	10/6/99
8	29 Offer SORD or Equivalent Access	<a href="http://tcnet.ameritech.com">http://tcnet.ameritech.com</a> CLEC99-147, SWBT CLECC99-331, PB CLECN99-087, Nevada CLECCT99-028, Connecticut	10/15/99 10/18/99 10/18/99 10/18/99 10/18/99
8	30 Offer enhancements to existing EBI interface for OSS	<a href="http://tcnet.ameritech.com">http://tcnet.ameritech.com</a> CLEC99-145, SWBT CLECC99-330, PB CLECN99-086, Nevada CLECCT99-027, Connecticut	10/15/99 10/18/99 10/18/99 10/18/99 10/18/99
8	32 Uniform Change Management	<a href="http://tcnet.ameritech.com">http://tcnet.ameritech.com</a> CLEC99-160, SWBT CLECC99-350, California CLECN99-100, Nevada CLECCT99-036, Connecticut	11/1/99 11/1/99 11/1/99 11/1/99 11/1/99

### Section 4: Corrective Action

As a result of the controls described above, no corrective actions was required.

**Condition Number: 9****Condition Name: Restructuring OSS Charges****Section 1: Summary**

SBC/Ameritech is to eliminate all charges for access to the Remote Access Facility and Information Services Call Center and eliminate flat rate monthly charges for access to standard, non-electronic order processing facilities used for orders of 30 lines or less where SBC/Ameritech does not make an electronic interface available.

All applicable billing documentation supporting such charges was discontinued.

Compliance with this Condition was conveyed to all CLECs through the Southwestern Bell, Pacific Bell, Nevada Bell and SNET Accessible Letter process. The TCNet website conveyed notification to all CLECs in the Ameritech territory.

The elimination of these charges was conveyed on an ongoing basis through a CLEC support organization that is designed to assist CLECs with operational support systems ("OSS") related issues.

**Section 2: Officer Responsible**

Name	Title
Rick Bradley	President – Interconnection Services

**Section 3: Implementation of Condition****1. Compliance**

This Condition requires that all charges for access to the Remote Access Facility and Information Services Call Center and flat rate monthly charges for access to standard, non-electronic order processing facilities used for orders of 30 lines or less where SBC/Ameritech does not make an electronic interface available be discontinued and waived on a going forward basis.

All requirements for this Condition were met. All service order charges for access to the OSS where applied were waived effective with the November, 1999 billing cycle. All flat rate monthly OSS service order charge billing documentation was discontinued on a going forward basis, as of that date. An Accessible Letter (customer notice) was distributed to the CLECs in the SWBT territory on October 18, 1999. No such charges existed in PB, NB, SNET, or AIT prior to the Merger Close Date.

As of December 31, 1999, 142 agreement amendments were either prepared or filed for this commitment.

The overall project plan includes the following activities and target completion dates:

**Compliance Table**

Condition	Paragraph	Milestone	Due Date	Date Completed
9	35	Waive flat rate monthly charges for access to the OSS.	First billing cycle following the Merger Close Date.	Completed first billing cycle following the Merger Close Date (dates vary)

## 2. Methods and Procedures

All related billing M&P was analyzed and billing documentation that was no longer applicable was discontinued.

**Methods and Procedures Table**

Condition	Paragraph	Milestone	Due Date	Date Completed
9	35	Internal documentation to discontinue billing	First billing cycle following the Merger Close Date.	First Billing cycle following the Merger Close Date (dates vary)

## 3. Training

Billing documentation relating to the charges that were eliminated was discontinued. This change in procedure was conveyed to Account Managers, CLEC Support Managers, and billing personnel through internal conference calls and internal meetings in 1999. The purpose of these meetings was to educate all personnel involved in the billing process related to this Condition of the elimination of these charges.

**Training Table**

Condition	Paragraph	Target Audience	Training Message	Delivery Method	Date
9	35	Account Teams Billing Managers CLEC Support Managers	Waiver of associated charges.	Conference Calls Direct Contact Meetings	October 1999

## 4. Internal Controls

The Status Confirmation Report was a key tool used to insure compliance with all Merger Conditions. The Status Confirmation Report provides specific detail describing current status, identifies potential roadblocks, and lists documents that have been created as a part of the compliance implementation process. Team updates were provided to the Team Lead, Mr. Ed Glotzbach, weekly via updates to a departmental Compliance Binder. Mr. Ed Glotzbach reported in to the

Corporate Compliance Officer, Mr. Charles Foster, weekly on compliance activities with all Merger Conditions.

Interconnection Services teams documented and reported their compliance weekly through the use of Status Confirmation Reports discussed earlier. These status reports were monitored closely and used to highlight potential jeopardy situations that could have required upper level management intervention to ensure interdepartmental compliance.

The Account Management team worked directly with the Billing Team to address any concerns or complaints associated with the waiver of associated charges. Additionally, the CLEC Support organization was responsible for avoiding any communication gaps between CLECs and the Account Managers to ensure accurate and timely resolution of any billing disputes.

#### 5. Documentation

Internal billing documentation supports discontinuing the applicable flat rate monthly service order charge associated with this Condition. Customer bills also demonstrate proof of compliance with this Condition.

#### **Section 4: Corrective Action**

As a result of the controls in place, no corrective action was required in 1999.

**Condition Number: 10**

**Condition Name: OSS Assistance to Qualifying CLECs**

**Section 1: Summary**

Paragraph 36 contains specific provisions for SBC/Ameritech to adopt measures for assisting Qualifying Competitive Local Exchange Carriers ("CLECs") in using SBC/Ameritech's operational support systems ("OSS").

Paragraph 36a:

Correspondence requesting CLECs to self-certify as a small CLEC, as defined in Paragraph 36a of the Merger Conditions, was distributed to all CLECs operating in the SBC/Ameritech territory on October 18, 1999. As of December 31, 1999 SBC had received certification forms from 42 CLECs.

Paragraph 36b:

OSS expert teams were designated and made available, and thus, this met the requirements of this paragraph. These teams were designed to provide assistance with the OSS to qualified small CLECs who had an existing interconnection agreement with SBC/Ameritech. Compliance with this Condition was met by notifying qualified CLECs that teams of experts were available to support them on OSS. Notification was distributed to CLECs in the SBC/Ameritech territory via Accessible Letter (customer notice) for Southwestern Bell Telephone ("SWBT"), Pacific Bell ("PB"), Nevada Bell ("NB") and Southern New England Telephone ("SNET") and the TCNet website notification for Ameritech on October 18, 1999. In addition, Account Managers who had direct contact with the qualified CLECs were briefed on these OSS expert teams and are referring qualified CLEC representatives to these teams.

Paragraph 36c:

CLEC Training Needs Forums were conducted in all regions in 1999. CLECs were invited to these forums via Accessible Letter in all the SBC states except for the Ameritech states. In the Ameritech states, the CLECs were invited via the notification process available on TCNet. In all regions, CLECs were provided the opportunity to register for these forums electronically. Concurrent with their registrations the CLECs were asked to "self-certify" as a "Qualifying CLEC". In these forums, training and procedures that would be beneficial to Qualifying CLECs were identified and discussed. Minutes of the forums were recorded and later distributed to all CLECs via Accessible Letter or TCNet even if they did not participate in the forums and even if they were not self-certified as a "Qualifying CLEC".

Compliance will be maintained by developing and deploying new training and procedures that resulted from these forums. Available training and course descriptions will be posted on the SBC CLEC Online website and TCNet on an ongoing basis.

## Section 2: Person Responsible

Name	Title
Rick Bradley	President – Interconnection Services

## Section 3: Implementation of Condition

### 1. Compliance

This Condition requires:

- Self-identification of small CLECs to be “Qualifying CLECs” as defined by the Merger Conditions
- SBC/Ameritech must designate and make available a team of OSS experts dedicated and empowered to assist qualifying small CLECs with OSS issues.
- SBC/Ameritech must identify and discuss in one or more CLEC training forums training and procedures that would be beneficial to qualifying CLECs.
- SBC/Ameritech shall develop and make available additional training and training materials

All requirements of this Condition were met. Customer notice was distributed to all CLECs on October 18, 1999 requesting any CLEC who met the requirements of a small CLEC as defined by the Merger Conditions to notify their respective account managers of this eligibility. In addition, this same customer notice served as notification that teams of OSS experts had been designated and were being made available at no additional cost to all qualifying self-certified CLECs. As CLECs self-certified as a “small CLEC” representatives were again informed of the existence of the OSS expert teams and that assistance was available to them at no additional cost.

CLEC training forums were held on November 11, 1999 (AIT), November 16, 1999 (PB/NB), November 19, 1999 (SWBT) and December 1, 1999 (SNET) at which times training and procedures beneficial to CLECs were identified. These forums were a joint effort between SBC and the CLEC representatives. As a result, pilot training courses were established and an enhanced training curriculum was developed. Notification of this enhanced training was distributed to all CLECs via Accessible Letter and the TCNet website in January 2000.

**Compliance Table**

Condition	Paragraph	Milestone	Due Date	Date Completed
10	36a	Identify CLECs who meet the requirements of a “Qualifying CLEC” as defined by the Merger Conditions	On-going	On-going

Condition	Paragraph	Milestone	Due Date	Date Completed
10	36b	Designate and make available teams of OSS experts dedicated and empowered to assist small CLECs with OSS issues.	11/8/99 (Team Formation)	Complete 10/18/99
10	36b	Provide notice of the availability of the Teams to all Qualified CLECs	12/7/99 (CLEC Notification)	Complete 10/18/99
10	36c	Identify and discuss in CLEC forums training and procedures beneficial to qualifying CLECs.	1/6/00	12/1/99

## 2. Methods and Procedures

### Paragraph 36a

Procedures were put into place to track and acknowledge receipt of self-certification from CLECs.

### Paragraph 36b

Roles and responsibilities along with contact information for experts were put into place.

### Paragraph 36c

All current Methods and Procedures ("M&P's") and/or Standard Operating Procedures ("SOPs") related to ordering and pre-ordering of Products and Services offered to CLECs were included in the new and existing CLEC Training. Any changes to M&P's and SOPs will be communicated via Accessible Letter or other means, and the CLEC Training Designers will include such updates in new and existing materials, as applicable.

## 3. Training

### Paragraph 36a

No additional training was necessary in order for a CLEC to request to self certify as a "small CLEC" as defined by the Merger Conditions. Documentation relating to self-certification was distributed to all CLECs through the Accessible Letter process and the TCNet website. Self-certification forms were also available through Account Managers.

### Paragraph 36b

Training for OSS experts consisted of a mentoring process. All new expert team members were required to undergo the same training curriculum that was available for the CLECs (See Paragraph 36c). In addition, a mentoring program was established whereby new members could gain experience and knowledge through on-the-job training as a partner of an existing OSS expert team member. This OSS expert organization currently consists of 23 management positions and has the potential to grow based upon demand.

#### Paragraph 36c

No training sessions were required by the Conditions in 1999 and none were conducted in 1999.

#### 4. Internal Controls

A Status Confirmation Report was used to insure compliance with all Merger Conditions. The Status Confirmation Report provided specific detail describing current status, identified potential roadblocks, and listed documents that had been created as a part of the compliance implementation process. Team updates were provided to the Team Lead weekly via updates to an Interconnection Services Departmental Compliance Binder. (2) Interconnection Services teams reported their compliance weekly through the use of Status Confirmation Reports. These status reports were monitored closely and used to highlight potential jeopardy situations that might have required upper level management intervention to ensure interdepartmental compliance. As of December 31, 1999, no target dates or initiatives were missed.

The Account Management team worked directly with the training and CLEC Support organizations to address any concerns or complaints associated with self-certification, OSS support and new training/procedures. In addition, the CLEC Support organization was available to work with CLECs on a proactive basis to avoid any complaints and/or communication gaps that might have occurred. Responses to CLEC complaints regarding CLEC training were communicated to the CLEC via their Account Manager. In addition, all complaints regarding Merger Conditions were coordinated through the Merger Compliance Group.

In addition, SBC/Ameritech had available an escalation process that is described on its two CLEC websites and is thus, available to all CLECs. Specific work groups are identified, responsible individuals are named, and telephone numbers are available for escalating issues. Any CLEC can take advantage of these escalation processes at any time.

#### 5. Documentation

The following documents were created for OSS Assistance to Small CLECs (Paragraph 36):

**Documentation Table**

Condition	Paragraph	Description of Document	Date Available
10	36a	Accessible Letters	10/18/99
10	36b	Accessible Letters, TCNet	10/18/99
10	36c	TCNet	10/20/00
10	36c	Accessible Letters	10/21/99



Condition	Paragraph	Description of Document	Date Available
10	36c	Sign In Sheets For Each Forum  Ameritech PB/NB Southwestern Bell SNET	  11/11/99 11/16/99 11/19/99 12/1/99
10	36c	Copies of Presentations For Each Forum  Ameritech PB/NB Southwestern Bell SNET	  11/11/99 11/16/99 11/19/99 12/1/99

#### **Section 4: Corrective Action**

As the result of the controls put into place through organizational structures and the clearly defined management roles and responsibilities, no corrective action was required in 1999.

**Condition Number: 11****Condition Name: Collocation Compliance****Section 1: Summary**

Condition 11 states that SBC/Ameritech shall provide collocation consistent with the Commission's rules including the First Report and Order in CC Docket 98-147, FCC No. 99-48 (rel. March 31, 1999) (Collocation and Advanced Services Order). Condition 11 also provides for a pre-Merger Close Date ("MCD") methods and procedures ("M&P") audit as well as a post-MCD audit regarding SBC/Ameritech's compliance with the Commission's collocation requirements. The condition further requires that SBC/Ameritech waive 100% of the total nonrecurring collocation costs for certain instances of missed due dates.

**Section 2: Person Responsible**

Name	Title
Ross Ireland	Sr. Vice President – Network Planning & Engineering

**Section 3: Implementation of Condition****1. Compliance**

In order to meet the Condition 11 milestones, SBC/Ameritech completed several steps. These steps included the creation of internal teams that met on an ongoing basis to review and monitor compliance with the Commission's collocation requirements as well as the merger activities and reports.

The SBC "Steering Committee" was formed to receive input from the underlying teams, to review the Commission's collocation requirements, assign responsibilities, monitor, and track compliance progress through to completion. Responsibilities of this committee and the teams for the Pre-Merger Audit also included the filing of tariffs and/or offerings of amendments and revising the Methods and Procedures.

Ameritech undertook a similar Pre-Merger effort. Ameritech Product Managers, with knowledge of how the Commission's collocation requirements had changed, met regularly with policy managers and attorneys to ensure that required changes were made in tariffs, amendments and Methods and Procedures, and that compliance was monitored. For the Post-Merger period, the Tier Two Group or "T2G," joined together SBC and Ameritech managers and attorneys. This group took on the same overall duties and responsibilities as the Steering Committee had at SBC for the Pre-Merger period. Each underlying team identified and resolved issues affecting compliance and tracked the progress of each issue to completion. If the team cannot satisfactorily resolve an issue, it is escalated, as appropriate, to the T2G for resolution.

Condition 11-related merger activities and reports are also reviewed and monitored by the T2G and at the Officer level. SBC/Ameritech revised the M&P and Standard Operating Practices ("SOPs") as well as other documents, as appropriate, to reflect the resolution of issues. During 1999, SBC/Ameritech identified issues with regard to achieving and documenting consistent means of compliance across 13 states and began work on those issues. This is an on-going process. As SBC identifies practices that may not be adequate to ensure or to document consistent means of compliance, SBC will continue to adjust practices and procedures and/or revise and expand appropriate documents.

SBC/Ameritech's goal has been and continues to be maintaining compliance through continued training, outreach programs to CLECs, documentation, and internal controls. In addition, SBC/Ameritech used the outreach program detailed below to ensure the CLECs were aware of any issues and processes that may affect them.

SBC/Ameritech provided assistance to CLECs in several forms including:

- CLEC Forums (External) - Provided to aid CLECs in requesting collocation from and exchanging information with SBC. The forums were intended to provide a venue to improve understanding and the exchange of information requirements for service offerings and requests.
- Accessible Letters ("AL") - Provided the CLECs with instructions for making service requests and provided notices of SBC issues and/or process changes that affected the CLECs business or interface with SBC.
- Websites – Provided the CLECs accessible venues to view public information, which was available to registered CLECs, such as the Interconnector's Collocation Services Handbook located on URL = <https://clec.sbc.com>, <http://tcnet.ameritech.com>). (See Section 5, CLEC Notification Table).

**CLEC Outreach Table**

Condition	Paragraph	Target Audience	Training Message	Delivery Method	Date
11	37	For Kansas CLECs Held in Topeka, KS.	Physical Collocation Technical Conference	Instructor Led by Director – Interconnection Implementation	7/8/99
11	37	For California CLECs Held in San Francisco, California	Physical Collocation Application Review – Operations Forum	Instructor Led by the Director – Industry Markets	7/22/99

Condition	Paragraph	Target Audience	Training Message	Delivery Method	Date
11	37	For Connecticut CLECs Held in New Haven, Connecticut	Physical Collocation Application Review – Operations Forum	Instructor Led by the Project Manager – Technical Support	8/5/99
11	37	For CLECs in Arkansas, Kansas, Missouri, Oklahoma, and Texas Held in Dallas, TX.	Physical Collocation Application Review – Operations Forum	Instructor Led by the Account Manager - Collocation	9/23/99
11	37	For CLECs in Ameritech	No Forums Held. All information provided to CLECs via External Websites Account Managers were made available to address any CLEC questions.		

#### Paragraph 37

In 1999, SBC/Ameritech performed numerous actions to provide collocation consistent with the Commission's collocation rules, including the First Report and Order in FCC Docket No. 98-147. SBC/Ameritech developed Methods and Procedures, conducted training sessions, created service centers and Internet websites, and filed tariffs and/or offered amendments, as described below, consistent with the Commission's collocation rules. SBC/Ameritech established management oversight teams and task forces as additional internal controls to ensure process integrity and consistency. In addition, following the merger, SBC identified the "best practices" of each region and adjusted overall practices to support SBC-wide consistency.

#### Paragraph 38

Prior to Merger Close Date, SBC and Ameritech, in each of the SBC/Ameritech States, filed collocation tariffs and/or offered amendments containing standard terms and conditions for collocation for inclusion in interconnection agreements under 47 U.S.C. § 252. Tariffs were filed in California, Connecticut, Texas, Illinois, Michigan, and Wisconsin. Amendments containing standard terms and conditions were offered in the non-tariffed states of Arkansas, Kansas, Missouri,

Oklahoma, Nevada, Indiana, and Ohio. In addition to the tariff filings, amendments containing the standard term and conditions were also offered in Illinois, Michigan, and Wisconsin.

#### **Interconnection Agreement Amendments**

<b>State</b>	<b>Document</b>	<b>Date Filed</b>	<b>Status</b>
Arkansas	Generic Agreement	See Note below	6/1/99
California	Schedule California Public Utilities Commission NO. 175T, Advice Letter #20412	7/9/99	Pending Approval
Connecticut	Connecticut Access Tariff, Docket #990805	8/2/99	Pending Approval
Illinois	Illinois Exchange Tariff, Part 23, Section 24 C.C. NO. 20f	10/5/99	Suspended
Indiana	Generic Agreement	See Note below	6/1/99
Kansas	Generic Agreement	See Note below	6/1/99
Michigan	Interconnection Service for Local Exchange Telecommunications Carriers, Tariff M.P.S.C. NO. 29R, Part 23, Section 4	9/29/99	Approved 9/30/99
Missouri	Generic Agreement	See Note below	6/1/99
Nevada	Generic Agreement	See Note below	6/1/99
Ohio	Generic Agreement	See Note below	6/1/99
Oklahoma	Generic Agreement	See Note below	6/1/99
Texas	Local Access Service Tariff, Section 5, Project NO. 16251	10/29/99	Approved 11/2/99
Wisconsin	Interconnection Service for Local Exchange Telecommunication Carriers, P.S.C. of W.20, Part 23, Section 4	10/5/99	Approved 10/15/99

Pending the approval of its advice letter, Pacific Bell is offering cageless collocation under the terms and conditions provided for in the Accessible Letter CLECC 99-200. Ameritech posted their generic terms and conditions for collocation on the Ameritech External Website as of May 28, 1999. The SBC and Ameritech Generic Agreements, offering the collocation arrangements required by the Commission in its First Report and Order in CC Docket No. 98-147, released March 31, 1999. "FCC Order 99-48", were made available on the effective date of the Order, June 1, 1999. Subsequent to the Merger, based on the adoption of the "best practices," the generic agreements were incorporated into one SBC Agreement.

#### **Paragraph 39**

Prior to the Merger Closing Date, SBC and Ameritech retained independent auditors who were acceptable to the Chief of the Common Carrier Bureau to perform examination engagements and issue attestation reports. SBC and Ameritech independent auditor attestation reports were filed with the Commission. The independent auditors confirmed that the SBC and Ameritech revised methods and procedures and filed tariffs and/or offered amendments

were in-place prior to the merger and were consistent with collocation requirements in all material respects as outlined in the FCC Order 99-48.

### Attestation Reports

Attestation Reports/Filing Date	Auditor
Report dated August 31, 1999 and was filed on October 14, 1999	Ernst & Young LLP
Report dated October 5, 1999, filed on October 14, 1999	Arthur Andersen LLP

#### Paragraph 40

Ernst & Young LLP ("EY") was selected and approved as the independent auditor to conduct the compliance audit for the first 240 days after the Merger Closing Date. The auditor has unrestricted access to all books, records and operations for the purposes of the audit. In a letter dated August 24, 1999, the Commission approved EY to administer the Post-Merger Audit. See Compliance Table provided below for details on meeting specific requirements.

#### Paragraph 41

Collocation projects are monitored in periodic implementation team meetings. If a due date is missed, the implementation team chairperson will determine if this application qualifies for a credit (i.e., if the due date was missed by more than 60 calendar days). This team tracks each project through to completion. See Compliance Table provided below for details on meeting specific requirements.

### Compliance Table

Condition	Paragraph	Milestone	Due Date (Internal or Required)	Date Completed
11	37	Develop M&Ps	08/11/99	08/11/99
11	38	Develop Generic Terms and Conditions	08/11/99	08/11/99
11	38	Develop Generic Terms and Conditions in Ameritech	5/28/99	5/28/99
11	39	Auditor Attestation Report to FCC	10/25/99	EY 10/14/99 and AA 10/14/99
11	40	Retain Collocation Auditor within 15 days of FCC's written acceptance	09/14/99	08/24/99
11	40	Begin 8 Month Collocation Audit	Began on 10/08/99	6/8/00
11	40a	Begin consultation with FCC Staff on Collocation Audit Work Program	12/07/99	11/15/99
11	41	Credit or Refund for Missed Collocation Due Dates in PB, NB, SWB, and SNET	Began 10/08/99	Monitoring (ongoing)
11	41	Developed M&Ps on Credit or Refund for Missed Collocation Due Dates in Ameritech	Began 10/08/99	Monitoring (ongoing)

Condition	Paragraph	Milestone	Due Date (Internal or Required)	Date Completed
11	38	File collocation tariff and/or standard terms and conditions agreements amendments	Prior to Merger Close	Prior to Merger Close

## 2. Methods and Procedures

SBC and Ameritech revised all external handbooks and all internal Methods and Procedures to be consistent with the requirements of the Commission's Collocation Orders.

The Interconnector's Collocation Services Handbooks for Physical Collocation in Texas and in the MOKA states ("Missouri, Oklahoma, Kansas and Arkansas") were revised to be consistent with the requirements of the Commission's Collocation Orders. The handbooks were issued in August 1999 and made available to the Collocators on the SBC CLEC web-site. Revisions included items such as providing application forms and procedures for requesting Cageless Collocation in single bay increments, Shared Collocation, Cageless Collocation, Adjacent Space Collocation, the prorating of site conditioning costs in a SWBT eligible structure, and the elimination of the requirement for an intermediate interconnection arrangement.

The Pacific Bell/Nevada Bell Internal Collocation Services Handbook and the Interconnector's Collocation Services Handbook were revised to be consistent with the Commission's Collocation Orders. The revisions include requirements as addressed above concerning SWBT. The revised Pacific Bell/Nevada Bell Internal Collocation Services Handbook and Interconnector's Collocation Services Handbook were made available on the Internal and External (CLEC) Websites in August of 1999.

In addition, in 1999 SBC developed an over-riding Network Operations Plan ("NOP") that encompassed the individual collocation M&Ps for each discipline or group involved in implementing collocation. The NOP, as well as, the individual M&Ps and Standard Operating Procedures are "living" documents that are updated as new issues are identified that affect collocation. The collocation NOP has been expanded and revised to encompass new processes as appropriate. The NOP encompasses the M&Ps, floor space guidelines, and Collocation Provisioning Guidelines. As these documents were updated in 1999, the NOP was also updated to reflect the changes. The NOP documentation was available to any CLEC. The changes included revisions to Planning, Engineering, Physical Plant, Security, OPS Methods, and Order/Applications processes (Caged, Cageless and Virtual). The pre-merger attestation reports from Ernst & Young LLP and Arthur Andersen LLP confirm that the SBC and Ameritech revised methods and procedures in-place prior to the merger were consistent with the Commission's collocation requirements in all material respects.

**Methods and Procedures Table**

Condition	Paragraph	Milestone	Due Date (Internal)	Date Completed
11	37	Network Operating Plan ("NOP")	7/99	7/99 (The NOP is a culmination of all M&Ps developed for compliance of the FCC Order 99-48)
11	37	Wire Center Planning Methods and Procedures	6/99	6/99 (Revised – 9/99)
11	37	Southern New England Telephone Company Interconnector's Collocation Services Handbook	6/99	6/99 (1 <sup>st</sup> Revision – 8/99)
11	37	Pacific Bell/Nevada Bell Internal Collocation Services Handbook	6/99	6/99 (1 <sup>st</sup> Revision – 8/99)
11	37	Pacific Bell/Nevada Bell Interconnector's Collocation Service Handbook	6/99	6/99 (1 <sup>st</sup> Revision – 8/99)
11	37	Southwestern Bell Telephone Interconnector's Collocation Service Handbook (Missouri, Oklahoma, Kansas, and Arkansas)	6/99	6/99 (1 <sup>st</sup> Revision – 8/99)
11	37	Southwestern Bell Telephone Interconnector's Collocation Service Handbook (Texas)	6/99	6/99 (1 <sup>st</sup> Revision – 8/99)
11	37	Collocation Provisioning Guidelines (Network Planning & engineering Real Estate Standards)	6/99	6/99 ( 5 <sup>th</sup> Revision – 10/99)
11	37	Ameritech Physical Collocation Guidelines	7/99	7/99 ( 6 <sup>th</sup> Revision 10/99)
11	37	Ameritech Virtual Collocation Guidelines	11/99	11/99
11	37	Collocation, Security and You Video	8/99	8/99
11	37	Access to Ameritech Central Offices	6/99	6/99

### 3. Training

SBC/Ameritech instituted the necessary human, financial, and technical resources to meet the collocation requirements. SBC/Ameritech conducted training for all relevant SBC/Ameritech personnel. As the result of the experience gained in 1999, at least once per quarter, the same training will be provided to any new personnel that are hired or transferred into a work force related to Condition 11 compliance. In addition, to ensure ongoing compliance with the



requirements of this Condition, supplemental or refresher training will be provided to existing personnel, as the need is identified.

Teams were formed to address the Commission's collocation requirements in training packages that were disseminated to the field organizations. In this manner, employees involved with collocation related matters were trained to comply with the Commission's Collocation Orders. The training encompassed Central Office personnel, administrative organizations, and field forces that could come into contact with CLEC employees. Initial training was completed by November, 1999, for SBC/Ameritech employees directly impacted by the Commission's Collocation Orders. Plans were put into place in 1999 such that at least once per quarter, this same training will be provided to any new personnel that are hired or transferred into a work force affected by Condition 11 compliance. In addition, to ensure ongoing compliance with the requirements for Condition 11, supplemental or refresher training will be provided for existing personnel as identified.

Training programs included web-based (self-paced) training courses, formal classroom training, train-the-trainer sessions, and Ad-Hoc tailgate sessions. Training programs were supported by the use of notices, reminders and internal-external websites established for targeted organizations. Stand-alone training was also used to address the collocation requirements for specific groups affected by the collocation process.

Training was conducted with appropriate work forces for M&Ps and Tariffs and/or Amendments containing Standard Terms and Conditions. Listed below are the training sessions that were conducted in 1999.

**Training Table**

Condition	Para-graph	Target Audience	Training Message	Delivery Method	Date Completed
11	37	Space Planners, some Local Field Organization; Representatives from the Detail Engineering Center; Representatives from Corporate Real Estate; Dallas, TX. San Ramon, CA.	Methods and Procedures related to actual survey of a central office for collocation space	Instructor Led Area by the Manager – Network Engineering (5/14/99) and Area Manager – Network (5/19/99)	5/14/99 5/19/99
11	38	Local Field Organization Management, Directors and Staff  Irving, TX.	Overview of FCC Order 99-48 Collocation Procedures for Local Field Organization	Instructor-Led by the Area Manager - Network Maintenance	5/27/99
11	37	Collocation Managers	Cageless Collocation Process	Instructor Led by the Associate Director, ITN Compliance Analysis and the Account Manager – Collocation	5/28/99